

PROGRAM UPDATE

Office of Worker and Community Transition United States Department of Energy January - March 2001

WORK FORCE RESTRUCTURING AND COMMUNITY TRANSITION WORKSHOP

In January 2001, the Office of Worker and Community Transition (the Office) distributed to attendees of the Eighth National Stakeholder Workshop a summary report on the Workshop. The Workshop was held June 26 - 28, 2000, in Washington, D.C., and covered a wide range of issues and sought answers to the challenges of implementing the Department's of Energy's post-Cold-War mission: work force planning and restructuring, early site closure, reuse and conversion, worker safety during cleanup, and the labor policy on privatization.

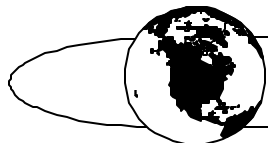
The summary report is posted to the Office web site at www.wct.doe.gov under Program Documentation, Workshop Summaries. If you would like a copy of the report mailed to you, please contact Clara M. Foster using the information on the last page of this document.

WORK FORCE RESTRUCTURING ACTIVITIES

WORK FORCE RESTRUCTURING AT HANFORD

On January 29, 2001, Fluor Hanford, Inc. (FHI), a major contractor at the Department of Energy's (DOE) Hanford Site in Richland, Washington, announced an involuntary reduction-in-force of up to 300 employees effective April 2, 2001. DOE signed a contract extension with Fluor Hanford, Inc., on December 21, 2000, effective from FY 2001 through FY 2006. The extended contract represents a new contracting strategy for accomplishing Hanford cleanup work at an accelerated pace. This significant realignment of work scope and schedule necessitated a reassessment and realignment of the mix of work force skills - - with an increased number of workers needed for actual field work and fewer workers needed in administrative and planning areas -- in order to accomplish priority cleanup projects on schedule.

DOE and FHI are working together to develop a plan for mitigating the impact to employees and the community. There are potential employment opportunities for displaced workers with other contractors at the Hanford Site. Two major contractors of DOE's Office of River Protection,



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Bechtel National, Inc., and CH2M Hill Hanford Group, have 250 job openings and anticipate creating over 500 new positions over the next several years (to support management of the high-level waste tanks and the design, construction, and future operation of a new waste treatment facility).

POTENTIAL RESTRUCTURING AT THE PORTSMOUTH GASEOUS DIFFUSION PLANT

On February 21, 2001, the United States Enrichment Corporation (USEC) announced that it projects 1,201 of the current level of approximately 1,727 employees would remain at its Portsmouth, Ohio Gaseous Diffusion Plant to support transfer and shipping, cold standby with deposit remediation, support services provided to the Department of Energy (DOE), and existing Work for Others. This represents estimated reductions of about 526, which is a revision of earlier projections of about 1,200 employees. However, USEC's staffing level could increase if the company secures additional contract work with DOE and/or others. If funding is not secured for cold standby and deposit remediation activities, its staffing level could decrease.

Salaried employees had from February 28 - March 6, 2001, to apply for positions posted during this period. Hourly reductions will be handled in accordance with the Paper, Allied Industrial, Chemical and Energy Workers International Union collective-bargaining agreement.

WORK FORCE RESTRUCTURING AT FERNALD

On March 16, 2001, the Office of Worker and Community Transition approved a Voluntary Separation Program (VSP) to be offered by Fluor Fernald, Inc. Ohio, at the Fernald Site. The VSP window will be open March 19, 2001, through June 29, 2001. The program will allow for the reduction of up to 100 employees to meet anticipated FY 2002 budget levels. This VSP is consistent with the Department of Energy's Work Force Restructuring Plan for the Fernald and Mound Sites - *An End in Site*, July 1997.

WORK FORCE RESTRUCTURING AT MOUND

Following concurrence by the Secretary of Energy and approval by the Office of Worker and Community Transition, the Department of Energy's Ohio Field Office announced a general notification of work force restructuring to the employees of Babcox and Wilcox Technologies of Ohio (BWXT) at the Mound Site. On March 1, 2001, the Department of Energy approved a Voluntary Separation Program (VSP) offered by BWXT to salaried employees at Mound. The VSP window was opened from March 1, 2000, through March 29, 2001, with 33 applications received.



COMMUNITY TRANSITION ACTIVITIES

COMMUNITY TRANSITION FUNDING APPROVED FOR PINELLAS STAR CENTER

On March 19, 2001, the Department of Energy (DOE) announced that Secretary of Energy Spencer Abraham recently approved a \$2.1 million grant to the Pinellas Plant Community to help alleviate the adverse impacts of closing the Pinellas Plant in Largo, Florida.

The community assistance grant will be used to make improvements to the Pinellas Science Technology and Research (STAR) Center. The funds will be used for safety code compliance upgrades including fire safety enhancement, utility sub-metering, boiler replacement, and other utility retrofits. These upgrades are essential in order to bring the STAR Center into compliance with requirements for legally leaseable space. In addition, the grant will enable the community to improve safety for the existing tenants of the STAR Center and improve the marketability of the remaining rental space.

DOE's weapons production mission at the Pinellas Plant ended in September 1994, after 40 years. At its peak, the Pinellas Plant employed over 2,000 contractor employees and made a direct financial impact of about \$200 million annually on the region. A shutdown of production, transfer of capability and cleanup, and final turn over of the Pinellas Plant to the community was completed in December 1997.

The community has been very successful in securing tenants for the STAR Center. The rental space will be 96 percent occupied with 24 tenants collectively employing 1,730 workers. The STAR Center is exceeding the original employment of the Pinellas Plant prior to the announcement of closure. The community has successfully recruited tenants requiring high technical skills in order to provide employment opportunities for dislocated workers.

ASSET MANAGEMENT

ELECTRONICS MEMORANDUM OF UNDERSTANDING

The Department of Energy (the Department) has completed its internal review and is nearing its concurrence of the Memorandum of Understanding (MOU) on Improving Environmental Management of Electronic Assets and forwarded its recommendation for approval to the Secretary of Energy. The MOU is designed to establish a program among the parties to share information and expertise in the acquisition, use and disposition of electronic assets and to promote their environmental management. The National Electronics Recycling Center at Oak Ridge, TN and the National Energy Technology Laboratory in Pittsburgh, PA and Morgantown, WV will be participating in the Department's contributions as a party to the MOU. The Departments of Defense and Interior, the Environmental Protection Agency, Council on Environmental Quality and United States Postal Service have signed the MOU. The Office of Worker and Community Transition would sign on behalf of the Department, pending final approval by Secretary Abraham.



SALE OF HEAVY WATER

The Office of Worker and Community Transition continues to work with the Savannah River Operations Office (SRO) with regard to the Asset Management Pilot Project Program involving the sale of heavy water. An announcement was published in the Commerce Business Daily by Westinghouse Savannah River Company, management and operating contractor for SRO, seeking Expressions of Interest from parties. Approximately 1000 metric tons (MT) have been authorized for sale, in which a minimum quantity of three MT has been established; however, preferences to offers for larger lots would be considered. The buyer is responsible for obtaining appropriate export licenses if the Heavy Water is to be shipped outside of the United States. Expressions of interest were received on March 1, 2001. SRO is assessing the responses.

REQUEST FOR PUBLIC DOCUMENT(S)

Name: _____

Organization: _____

Position: _____

Street address: _____

City and state: _____

Zip code: _____

Phone: _____

Fax: _____

E-mail address: _____

DOCUMENTS REQUESTED:

1. _____
2. _____
3. _____
4. _____
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FAX OR MAIL TO:

**Ms. Clara M. Foster
Office of Worker and Community Transition, WT-1
Forrestal Building, Room 6E-034
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585-0110
Fax: 202-586-1540**